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**FISCAL IMPACT STATEMENT**

**LS 7155**

**BILL NUMBER:** HB 1357

**NOTE PREPARED:** Jan 12, 2004

**BILL AMENDED:**

**SUBJECT:** Academic Honors Diplomas.

**FIRST AUTHOR:** Rep. Scholer

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** The bill provides that a high school student who: (1) achieves a passing score on the graduation examination; and (2) demonstrates subject matter competency in the courses required for an academic honors diploma by either completing the courses or passing approved assessments is entitled to receive an academic honors diploma.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:** *Summary:* Under the bill, the State Board of Education would be required to adopt rules on the assessments for the determination of subject matter competency. The Board could adopt the rules required by the bill within the course of a scheduled business meeting. The bill does not mandate that the Department of Education develop the assessments nor expend funds to purchase them for schools. Therefore, there should be a minimal impact to state expenditures required by the bill.

*Background Information:* State Board of Education- Under current law, the Board is comprised of ten members plus the Superintendent of Public Instruction. The members are appointed by the Governor, and at least one member must be appointed from each congressional district in Indiana. No more than six members may be from the same political party, and at least four members must be active educators. In CY 2004, the Board is scheduled to meet 12 times (two days per meeting.) Under current law, Board members are allowed a salary of \$2,000 per year, per diem, and reimbursement for travel and lodging.

Current Graduation Requirements- Beginning with the graduating class of the 1999-2000 school year, students that expected to graduate with a diploma were required to either: (1) complete all high school graduation credit requirements in addition to receiving a score at or above the Indiana Academic Standard

on the GQE; (2) successfully complete all components of the Core 40 curriculum; or (3) successfully appeal the examination test results in accordance with current law. A student who does not receive a score at or above the Indiana Academic Standard may retake the examination during each semester of each grade following the grade in which the student is initially tested.

Academic Honors Diplomas- In school year 2001-2002, 16,040 students graduated with an academic honors diploma (about 27.3% of total diplomas awarded in that year).

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Summary:* Under the bill, schools could face additional expenditures if they purchased new assessments. However, the impact to a school corporation's expenditures could be minimal as academic honors diplomas currently can be validated with the successful completion, by the student, of the courses required for an academic honors diploma.

*Background Information:* Academic Honors Diploma Courses- Under the approval of the State Board of Education, students that achieve a "C" or better grade in the following courses may be awarded an academic honors diploma:

Course	Credits
Literature, composition, and speech	8
Mathematics	8 (Algebra 4 credits, Geometry 2 credits, advanced math 2 credits)
Science	6 (Biology 2 credits, Chemistry, Physics or integrated Chem/Physics 2 credits, additional Chemistry, Physics or advanced science courses 2 credits)
Social Studies	6 (US History 2 credits, US Government 1 credit, additional economics, geography, and world history 3 credits)
Foreign Language	6-8
Arts	2
Electives	9
Physical Education/Health & Safety	1

**Explanation of Local Revenues:**

**State Agencies Affected:** State Board of Education.

**Local Agencies Affected:** School corporations.

**Information Sources:** *Indiana Annual State Report Card 2003*; Indiana Education Roundtable publication 12/16/03.

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